

Date: February 2, 2016

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Mark D. Ahrendsen, Director of Transportation
Subject: Purchase Contract – Buses for GoDurham

Executive Summary

The City issued a request for bids for the purchase of buses, replacement and new, for a five-year contract in coordination and cooperation with The Research Triangle Regional Public Transportation Authority “GoTriangle” and the Town of Chapel Hill. The five-year contract under consideration will furnish/provide the City with up to twenty-seven replacement and new 40-foot, low-floor, heavy duty clean diesel buses for the GoDurham bus service. An initial order of twelve (12) vehicles was approved in the FY 2015/16 budget, and this purchase is part of the schedule vehicle replacements and new purchases. The total cost for the FY 2015/2016 purchase shall not exceed \$5,636,956.08 or \$469,746.34 per bus.

The only response was received from Gillig, LLC of Hayward, California. Gillig, LLC was the lowest responsive bidder. Funding for this contract is available from two federal grants in the amount of \$3,288,224.38 for seven replacement buses and one-half cent sales tax revenue in the amount of \$2,348,731.70 for five new buses needed for a portion of the expansion of bus service provided as a result of the Durham Bus and Rail Investment Plan. There are no good alternatives to making this purchase. After thorough cost and single-bid analyses, it has been determined that the bid pricing from Gillig, LLC is competitive and within budget.

The scheduled bus replacement and purchases identified below only recognizes current available funding:

FY 2016	FY 2017	FY 2018	FY 2019	FY2020	FY2021
12	3	3	2	0	2

Recommendation

It is recommended that City Council authorize the City Manager to execute a purchase contract with Gillig, LLC for up to 27 new buses to be purchased over a 5 year period with the initial purchase of twelve (12) new 40-foot, low-floor, heavy duty diesel buses in the amount of \$469,746.34 per bus for a total purchase contract of \$5,636,956.08.

Background

The City, serving as the Lead Agency, in coordination and cooperation with The Research Triangle Regional Public Transportation Authority “GoTriangle” and the Town of Chapel Hill issued a request for bids for the purchase of heavy duty, low floor, 40 foot transit buses, optional equipment, identified spare parts, and special tools over the course of five (5) year contracts between the successful bidder and each individual

agency.

Issues/Analysis

The following pricing is in effect for the replacement and new buses.

COMPANY

PRICING

Item No. 1 – Seven (7) replacement and five (5) new 40-foot Low Floor, Heavy Duty, Clean Diesel Buses (Base Bus Pricing Per Bus)

Gillig, LLC	\$434,856.00
Hayward, CA	
Bus Options	\$ 34,890.34
Total Cost per bus	\$469,746.34

Alternatives

- 1) Execute the purchase contract with Gillig, LCC for new buses.
The bid pricing received from Gillig, LLC is competitive and within budget.
- 2) Do not execute the purchase contract with Gillig, LCC, federal funds earmark will be forfeited.

Financial Impact

The total cost for the initial purchase of twelve (12) 40-foot, low-floor, heavy duty diesel buses shall not exceed \$5,636,956.08 (or \$469,746.34 per bus). Funding for this contract is available from the following accounts:

5300U050/732306/UX074	\$2,348,731.70
1710U020/732306/UBF95	\$ 939,492.68
45621400/732306/S4501	\$2,348,731.70
Total	\$5,636,956.08

SDBE Summary

Gillig is subject to Federal DBE program/reporting requirements, and was certified for 2015 – making them eligible to bid on contracts of Federal Fiscal Year and the Department of Equal Opportunity /Equity Assurance therefore did not review the item for compliance with the Ordinance to Promote Equal Opportunities in City contracting.

SDBE REQUIREMENTS

There were no SDBEs to provide this product.